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OPEN MEETING AGENDA ITEM



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ARIZONA CORPORATION COMMISSION

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ORIGINAL

October 22, 2008

IN THE MATTER OF THE APPLICATION OF
PINE WATER COMPANY FOR APPROVAL
TO (1) ENCUMBER A PART OF ITS PLANT
AND SYSTEM PURSUANT TO A.R.S. § 40-285(A);
AND (2) ISSUE EVIDENCE OF INDEBTEDNESS
PURSUANT TO A.R.S. § 40-302(A)

DOCKET NO. **W-03512A-07-0362**

Dear Parties to the Docket:

During its Regular Open Meeting on September 23, 2008, the Commission declined to take action on the application by Pine Water Company (Company) for Commission authorization to incur \$300,000 in debt. Instead, the Commission deferred this matter for consideration at the Commission's Regular Open Meeting that is scheduled for December 16 and 17, 2008.

In his procedural order dated September 29, 2008, the Administrative Law Judge assigned to this matter, Dwight Nodes, ordered that the Company and intervenors file by December 12, 2008, a report on the status of any purchase negotiations or condemnation efforts, and any other developments or pertinent information in this case. Aside from the report ordered by Judge Nodes, it would be helpful if the Parties would, by November 24, 2008, file in this docket answers to the following questions:

1. Does the authority under which Pine Strawberry Water Improvement District (District) was established allow it to own and operate a public water system?
2. If the Commission were to approve the Company's financing application, would the District be able to use the \$300,000 for purposes other than paying for the K-2 test well?

Thank you for your consideration of these questions.

Sincerely,

Mike Gleason

Mike Gleason
Chairman

C: Commissioner William A. Mundell
Commissioner Jeff Hatch-Miller
Commissioner Kristin K. Mayes
Commissioner Gary Pierce
Dwight Nodes, Hearing Division
Ernest Johnson, Utilities Division Director
Janice Alward, Chief Counsel
Docket Control

Arizona Corporation Commission

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